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Digital transformation strategies of trade enterprises: key areas, development and implementation algorithms

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Abstract. Digital transformation brings about fundamental transformations in relationships with partners, customers, and competitors. It is proved that digital transformation is to be studied thoroughly as a phenomenon that profoundly affects almost all the factors of the external and internal environment of the company. The article analyzes the key areas of the strategy development at the present stage of economy. The key trends of digital transformation in the activity of trade enterprises are taken into account. The article shows that such lines of innovative development as the improvement of digital methods of collecting, processing, and analyzing information; expansion of interaction with consumers in the digital environment; timely detection of changes in the competitive environment, a response to emerging threats by using technologies of Web Analytics, Video Analytics, Wi-Fi Analytics, data management platforms, Advanced Analytics, virtual and augmented reality technology, the Internet of Things, and many others can be regarded as the most important ones. The need for further improvement of digital technologies is recognized as a new company value for trade enterprises. Algorithms of forming digital transformation strategy components which contribute to the quick reaction to changes in the business environment of the company are proposed.

Keywords: digital transformation, innovative strategies, emerging threats, the competitive environment, Advanced Analytics, Internet of Things

1. Introduction

Digital technologies are beginning to play a major role in the innovative development aimed at accelerating company growth, improving customer service, and reducing costs. New findings in the fields of Artificial Intelligence, the Internet of Things and Big Data are radically changing the business environment, which results in looking for new ways of solving strategic tasks of the company.

As noted in [1], the use of digital technologies affects everyday life, industrial relations, as well as the structure of the economy and education. Besides, there are new requirements for communications, computing power, information systems and services.

Digital transformation brings about fundamental transformations in customer relationships, competition, and company algorithms.

However, despite the large number of publications both on the digital economy and on the organization of innovation, there are very few studies dedicated to the formation of innovative strategies pursued by trade and service enterprises.

The aims of the work is to outline the key directions of forming digital transformation strategies of trade and service enterprises and to show the possibilities of application of innovative tools in service and trade; the work being done on the basis of the study of the projects dealing with successful introduction of innovative technologies.

In order to achieve this goal the following tasks have been solved:

- the analysis of key aspects of digital transformation is made;
- the key directions of formation of strategies for the development of trade enterprises undergoing digital transformation are given;
- the algorithms for forming components of the digital transformation strategy are proposed.

2. Methods

In order to reach the goal set in the article, the research methods were applied, the latter comprising observation, analysis, comparison, description, as well as systematization, classification, deduction and analogy.

3. Results and Discussion

3.1. Key areas of digital transformation strategy

As far as strategic planning is concerned, digital transformation should be considered as a phenomenon that comprehensively affects almost all the factors of the external and internal environment of the company, thus making the latter take different approach to marketing activity and monitor the reaction to changes in the mood and desires of consumers [2].

The KPMG study [3] shows that the concept of digital transformation is related to the introduction of the Internet of things, artificial intelligence, big data Analytics, machine learning, and robotics. Due to the availability of high-speed data transmission and the reduced cost of computing power, there is a real opportunity to develop new business lines, increase productivity, and reduce costs. The actions of competitors, who apply innovative development programs, give a strong incentive to introduce digital technologies.

One of the main directions is to improve the methods of collecting, processing and analyzing information. It involves primarily the creation of analytical systems as well as specialized tools for analyzing heterogeneous data. Examples include web Analytics, video Analytics, Wi-Fi Analytics, data management platforms, and advanced Analytics [3].

Systems based on big data as well as artificial intelligence technologies are increasingly used to process information. As a result, service companies enjoy the opportunity to apply innovative digital tools which help them improve the efficiency of companies.

The development of the mobile Internet as well as the emergence of smartphones have significantly changed consumer behavior. According to a Facebook study, 70% of customers use a mobile device at least once while shopping in the store. They may compare prices, read product reviews or discuss photos taken in the store with their friends [4].

In the coming years, it is important for retailers to get as much data about customers as possible, this being done in order to choose the right channels of interaction and personalize the offer.

Another main direction of digital transformation of service enterprises is the improvement of interaction with consumers in the digital environment. It is based on the integration of data processing and marketing research with customer relationship management systems (CRM systems). For

example, artificial intelligence technologies make it possible to create personalized advertising messages, thus forming a marketing interaction ecosystem around each individual user, the one that unites all the communication channels available.

With the advent of 5G technology, which replaces 4G, the speed of information transfer increases significantly. This will contribute to the development of the Internet of things (IoT). The ability to identify the users by their connected IOT devices will allow service enterprises to establish fundamentally new channels of interaction with the consumers.

Virtual and augmented reality (AR, MR and VR) technologies are increasingly used to interact with consumers. They allow consumers to virtually try on clothes, pick up furniture, and make purchases without leaving home. Interaction with a seller is also conducted in a virtual environment. For example, Facebook was the first in the US to launch AR-advertising all over the news. The user can virtually try on Michael Kors sunglasses and Sephora makeup [5].

These examples show that the development of digital channels is becoming a source of social interaction as well as news, shopping and entertainment; it is also a source of interaction with the media, friends, relatives and colleagues, all those who people tend to trust.

The main task of companies is to adapt to the rapid changes in the competitive environment that occur under the influence of new technologies. The way innovative technologies affect modern retail in an increasingly competitive environment is described in detail in the following works [6, 7]. It should be understood that the adaptation or digital transformation of the existing company is significantly different from establishing a new digital company. It is much more difficult to ensure the digital competitiveness of an existing trade enterprise than to create new online stores and service enterprises.

Despite the ever-decreasing cost of digital resources, technologies and equipment, digital transformation requires such things as significant investments, highly qualified personnel and attention shown by the top management of the company. Therefore, companies embarking on the path of digital transformation need to work out a long-term strategy of transformation, that is to set goals and objectives, describe the roadmap in detail, develop algorithms for responding to emerging changes, and establish criteria for assessing both the economic effect of individual decisions and that of the adopted strategy as a whole.

When developing strategies for digital transformation, the company's management faces the problem of establishing priorities and directions of development. The management is to consider what digital technologies and IT solutions to choose so as to invest the limited resources of the company in, and how to make an assessment of the impact of new technologies on performance and payback periods.

Given the speed of digital transformation processes, it is necessary to pay particular attention to the formalization and algorithmization of data processing methods as well as to the process of finding a solution and exercising control over the execution of decisions. This will contribute not only to gaining information about the best practices and acquiring managerial experience in artificial intelligence systems but also to the responsiveness to emerging opportunities and threats i.[8].

Analyzing successful digital technology application projects and comparing different approaches to formation of digital transformation strategies of high-tech companies, presented in [9, 10, 11], we can identify the following key areas that require focus when developing strategies for digital transformation in the sphere of services and trade:

- improvement of digital methods of collecting, processing and analyzing data;
- organization of interaction with consumers in the digital environment; the identification of changes in customer behavior and response to them being taken into account;
- monitoring of the competitive environment; detection of threats; prevention of negative impacts.

These areas can be specified in the form of management algorithms used in the development of digital transformation strategies.

3.2. Improvement of digital methods of collecting, processing, and analyzing data as a new company value

One of the most important parts of the digital transformation strategy is the organization of work with data. The use of data for new purposes and implementation of new ideas have made data-driven work an important intangible asset, thus creating new company values.

Traditionally, data are mainly used for the following purposes:

- to analyze customers' behavior in the digital environment in order to improve the efficiency of interaction with users;
- to identify promising areas and points of growth of the company;
- to study and form the target audience;
- to improve the interaction with clients by individualizing goods and services, personifying offers, and providing original content.

However, a number of companies are developing and successfully applying new concepts of data usage which are introduced into business in order to innovate it or create new business lines.

Generation of new concepts of data usage involves the following operations:

1. Establishing the direction, goals, and objectives of data use, which is important when entering new markets or studying the competitive environment and customer behavior.
2. Choosing data usage formats, for example, the use of unstructured video Analytics data about customer behavior in a shopping mall.
3. Development of a plan to achieve the goals and objectives. Based on the analysis of various business scenarios, data usage models are developed. For example, based on the data collected during the implementation of loyalty programs, the business scenario can be focused on the personification of interaction with customers of a certain target audience which can be offered individual discounts and some other bonuses.
4. Analysis of available data, identification of missing data, indication of data sources and data collection and systematization methods. For example, social networks which unite the target group of customers can be analyzed in order to clarify and personalize offers.
5. Development of a new concept of data use, including the technical part; planning changes in business processes; testing and evaluation of the new concept of data use.

Systematic analysis of competitors' actions and a search for technological, product, marketing, and organizational innovations should be complemented by new ideas rapidly selected and experimentally tested in their market segment.

At the same time, owing to access to a variety of information resources and computer modeling, digital technologies can significantly reduce the time and cost of experimental testing of innovations.

Pilot testing of the offer is carried out in several stages.

1. Formulating the problem to be solved by the experiment.
2. Defining the boundaries of the experiment (time, resources that the company is to spend on the experiment). Determining the time and conditions for the completion of the experiment.
3. Forming a team of those involved in the experiment, defining their rights, obligations, conditions of work, as well as conditions of other employees' involvement.
4. Gathering information about the market and key parameters of the experiment.
5. Analyzing the information received so as to develop several hypotheses that require additional testing.
6. Conducting an experiment (for example, developing simplified prototypes of solutions, testing a simplified business model, obtaining and analyzing information from customers) and analyze the results.
7. Making a decision on whether the experiment is successful and needs to be continued, considering the possibilities of its completion and improvement of the result, deciding on how to use the results to contribute to efficient work of the company, and choosing some further directions for experiments.

In the context of digital transformation, it is important to timely identify and implement innovations that, in the opinion of potential buyers, increase the value of the product and the service [12]. Digital transformation leads to rapid changes both in the company itself and in the solutions offered to the market, the latter being considered by customers as the value that the company offers to the market.

There are several stages in the actualization of the value application. The algorithm is as follows:

1. To study changes occurring in customer motivation under the influence of digital transformation. To identify strategically important groups of clients; to understand their goals, tasks, methods of work in the market, and the most important needs.
2. To clarify what value proposals exist for each group of clients.
3. To recognize threats for these proposals. To identify new customer needs; to identify the values generated by the emergence of new technologies, new proposals of competitors, as well as competitive offers from other industries.
4. To analyze threats and assess their impact on existing value propositions.
5. To generate new proposals taking into account new technologies, customer requests and changes in the business environment. To actively discuss emerging problems with customers and stakeholders.
6. To form a new value proposal which expands the existing one and is devoid of irrelevant elements that lost their value.
7. To test new value proposals on customer focus groups.

3.3. Organization of interaction with consumers in the digital environment

Digital transformation changes both the customer and the channels of interaction with the company's customers.

In the digital economy, the first meeting of the prospective client with a trademark most often occurs as a result of the Internet search, social networking activity, and analysis of websites. This significantly reduces the effectiveness of traditional advertising, as the number of sources of information about the product has increased significantly (information about a product can be found at the websites of manufacturers, sellers, agents, service organizations, and independent experts). Any search query or interest shown in the product causes an instant response in the form of contextual advertising on the Internet on the search page.

Customers begin to value the goods in another way and the choice of the companies becomes different. In place of catalogues, price lists, negotiations, personal contacts there comes a comparison made on specialized sites and trading platforms, where it is easy to compare characteristics of the goods produced by different manufacturers and learn the conditions put forward by suppliers.

At present, the purchase of goods is increasingly made on online trading platforms with calculations done through the associated payment systems. There is a growing interest in noncontact payment methods. 76% of customers consider ease of payment to be one of the main reasons for loyalty to the brand [13].

Loyalty is inspired by how interaction with consumers in the digital environment is organized. At the same time, the value of the buyer increases: he/she is not only a buyer of the goods and a consumer of a range of related services, but also an active participant in the interaction, an expert with personal experience of product consumption.

Traditional sales channels, customer databases, CRM–systems are replaced by network interaction systems (platforms) providing instant feedback and enabling consumers to communicate with each other without the direct participation of employees. As a result, consumers shape a company's reputation by exerting influence on its market position.

The characteristic features of the development of client networks (platforms) are as follows:

1. Providing access to goods and services at any time convenient for the client and in any place. In order to satisfy the desire of customers to buy goods as quickly and conveniently as possible, mobile devices and QR - codes are increasingly used. Multichannel access makes it possible to combine both traditional and digital sales channels.

2. Creating original content that uses new models of interaction and emphasizes the advantages of the product. For example, ‘success stories’ captivating customers and secretly demonstrating the benefits of the product; helpful materials for the use of goods; websites; electronic publications; blogs; social networks implementing the principle of "brand as the media" form the content.

3. Providing an individual approach and personalized offers. For example, in order to personalize shopping offers, launch customized marketing campaigns, and optimize supply chains, Alibaba uses data on brand commitment and takes into account people’s purchase history and shopping habits.

4. Communication in social networks with a view to creating product value. Focusing on extracting information from the open communication of consumers, companies can maintain or create network resources that attract their target audience. They give support to their customers by solving their problems online. Companies can collect and analyze customer videos so that customers can be represented in advertising campaigns as a pool of independent consumer experts.

5. The focus on cooperation implies the participation of consumers in the development of the company. One of the most important steps in this direction is the creation of an intuitive and user–friendly interface, as well as the creation of an effective system of motivation for cooperation. It should be noted, however, that despite significant advances in digital transformation, consumers are primarily driven by their preferences and benefits. Thus, choosing the most convenient forms of service, customers actively use online and offline platforms to satisfy their needs best.

As noted in [14], despite the fact that consumers are increasingly purchasing goods online, 82.5 % of retail sales held by 2021 will occur in actual stores. However, the vast majority of these sales will depend on digital ‘touch points’. For this case, O2O (Online-to-Offline Commerce) business strategy was developed. The strategy is aimed at attracting online customers to off-line points of sale, as well as to creating conditions for the continuous customer support offered to customers before, while and after they make a purchase.

This approach takes into account that about 81% of buyers conduct online research before making large purchases. Therefore, even a small percentage of them directed to an offline store, gives a huge sales potential.

O2O (Online-to-Offline Commerce) business strategies allow companies to consider online and offline channels not as competitive, but as complementary ones. Augmented reality (AR) technology is one of the tools that make it possible to place 3D models of products in the homes of consumers and allow them to see what the purchase will look like in a real room. For example, the application for the smartphone IKEA Place allows users to" place " furniture and other IKEA products in their rooms and interiors. AR application of the firm Dulux (production of paints) allows users to see how the walls of the room will look if painted in the color they have chosen. The augmented reality mirror developed by the cosmetic company Shiseido will show how users will look if they apply virtual make-up.

As shoppers embrace new computer technologies, they expect retailers to provide them with tailor-made offers based on the specific wishes of each consumer and their location.

One method of personalization involves the use the online profile of the customers who come to the stores; it also includes a purchase history and reaction to online advertising, surveys, and coupons. Besides, tracking the movement of customers around the store and in the store is also taken into account. Increasingly, data from many sources – that is from social networks, mobile applications, payment systems, CRM programs – are used to create a client profile [15]. The company Dixie uses facial recognition technology to do targeted advertising both in the sales area and in the cash area. X5 Retail Group video Analytics is used to assess when and which stores are visited by a great number of people and which products attract more attention. Special programs are used to reduce the queue by recognizing the crowd of people and opening additional cash registers in the store.

In recent years, one of the main retail trends has been the principle of buying in one click (click-and-collect – click and take the purchase). The ability to place an order online and then pick up the goods in the offline store is not only convenient and satisfies the need for ‘instant satisfaction of the need’, but also attracts additional customers to the off-line stores so that they can make additional purchases.

Recent studies, for example [16], show that the choice of shopping in an offline store is significantly influenced by online research conducted by the buyer before making a purchase. 82% of smartphone users consult their phones about purchases they are going to make in the store, and 45% read reviews before making a purchase. Online pre-purchase research has often been associated with doing online shopping, but ROBO's research shows that nearly $5 is spent in-store for every dollar spent online after doing online research.

One of the innovative areas is the use of artificial intelligence and the creation of virtual assistants that improve interaction with the consumer. For example, H&M's chatbot helps people to make a choice and fill a shopping cart. The designers of eBay shopping assistant are now focused on the development of customer service and the management of online orders: for example, receiving refunds and making payment for services can be done via chatbot [17].

The algorithm proposed for the development of innovative strategies for interaction with customers through network resources in the context of digital transformation includes the following steps:

Stage 1– identifying specific tasks to be solved by the developed strategy (for example, attracting potential customers to new products).

Stage 2 – identifying target audience, for example, young men of 20-25 years of age.

Stage 3 – -choosing a model of interaction in social networks that provides a solution to the tasks, for example, while interacting with the target audience it is good to use original content in order to individualize commercial proposals.

Stage 4 – outlining the product concept taking into account the conditions of interaction in the digital environment. The image of the product should be attractive in various situations: for instance, either when it is discussed in social networks or demonstrated on the smartphone screen. Product information should be easy to be accessed and transmitted to customers who communicate with one another on social networks by means of mobile devices. Also, the product must be adjusted (personalized) to the personality of a customer.

Stage 5 – establishing the strategy effectiveness criteria and evaluating the expected results of strengthening the competitive position of the product and the company itself in the market.

3.4. Competition features in the digital environment

The main changes taking place in the competitive struggle in the digital transformation period are as follows:

First, the development of digital technologies changes the goals of competition. If earlier the main purpose of competition was to be the first, beating competitors in any way, now it is increasingly possible to observe the cooperation of competitors aimed at increasing the importance and competitiveness of the industry they work for. This is done, for example, by the leaders of high-tech industries, MegaFon, MTS, and Rostelecom, who have united their efforts to develop 5g networks.

Second, competition is becoming cross-sectoral. Alibaba Group's global strategy is to expand partner projects, thus creating an open ecosystem embracing various services, such as computer companies and payment systems, as well as engaging retailers and logisticians. Sberbank seeks to position itself as an IT company, changing its style of work and the logo. TV channels are teaming up with IT companies that develop and distribute their own video content, YouTube being among them.

Third, competition becomes asymmetric when companies have to compete with those involed in other industries, but offering similar values. So in addition to the competition between car manufacturers and their dealer networks, there comes a more complex interaction in the digital environment both with car rental companies that provide cars on different terms (Uber, Yandex.Drive and Telemobil) and car-sharing services that use per-minute car rental system.

Fourth, it is the development and competition of platforms as the basis for interaction between different business structures and people. For example, Booking and Tripadvisor have radically changed the tourism industry; Alibaba has changed trade; PayPal has changed finance Depending on the tasks, the existing and emerging platforms can be divided into the following ones: platforms for trade and exchange (AirBnB, eBay), platforms for payments and other transactions (PayPal, Apple

Pay, etc.), media platforms (YouTube), platforms of IT services and software developers (Xbox, iOS), gaming platforms [18].

At the same time, there is not only specialization of platforms, but also their integration in the digital space. Thus, air ticket booking services are integrated with taxi booking, car rental, hotel booking, excursions, etc.

As a result of digital transformation and the development of digital platforms, the company is changing its relationships not only with its customers but also with its competitors. There is a transition from the traditional industry linear model to the network model of competition. Meanwhile, a number of companies enjoy the benefits of the transition period by combining platform and traditional models. For example, Amazon, along with using the network platform, works at developing Amazon Marketplace.

The growing role of platforms in competition is due to the fact that digital technologies have provided:

- the ability to easily join the platform: potential clients can easily join the platform and work with its resources. They can easily find what they are interested in and post the necessary information about the scope of their requests; besides, they can quickly interact with other members of the platform. As a result, digital platforms make it easy for a large group of enterprises to combine their efforts in order to achieve common goals;
- the constant emergence of new customers; the rapid, unlimited growth of their number. Traditional companies are limited by such things as production sites, retail areas, warehouse space and personnel, while platforms do not have such restrictions [19];
- availability anytime, anywhere;
- a solution to the problems of security and trust in the platform through the development of information security and customer feedback systems.

The success of the platforms in the competition is determined by the following factors:

- participant activity characterized by the number of users involved, the quality of the products offered, and the frequency of use and content updates;
- quality content and software solutions offered by the platform itself;
- ease of interaction which implies easy connection to the network, easy content downloading, and intuitive interface;
- new opportunities for communication, easy search and interaction with the target audience.

Fifth, the development of digital technologies leads to two divergent but complementary processes: the disappearance of traditional intermediaries and the emergence of a new type of intermediaries, which, thanks to low costs, are able to occupy a niche between the supplier and the consumer, providing the most convenient and favorable conditions for interaction.

Increased competition leads to destabilization of the existing business models of companies. The main reasons for this are: the emergence of competitors from other industries who offer products and services significantly superior in many respects. The competitors' business models may have the advantages of being more advanced. They may use a more advanced platform based on cutting-edge computer technologies and enjoy other advantages such as an expanded list of services, personalization of commercial offers, and individualization of goods.

A good example is the emergence of smartphones. Due to the new business concept, they not only led to the destabilization of the market of stationary and mobile phones, but also resulted in a succession of innovative changes in the markets of cellular communication and Internet access. The mobility of smartphone users is changing business models in retail and service, as well as in many other industries.

It is assumed that the Internet of Things may become one of the destabilization factors in the near future [20].

However, innovations do not always lead to market destabilization. As a rule, it is the emergence of new companies that leads to serious changes in the competitive environment. The new companies

- identify and successfully meet new customer needs (Xerox, smartphones);

- use new or successfully adapted business models that can satisfy new customer needs in a different way (Airbnb, Boooking)

- offer services free of charge or significantly below market prices (Skype, Viber, WhatsApp destabilized the communication market by offering free messaging).

There is an approximate algorithm for destabilization threats recognition. The following steps are to be made:

Step 1. The phenomena that have a significant impact on the business environment of the company are to be highlighted and focused on. These primarily include the development of computer technology.

Step 2. The alleged competitor–destabilizer must be identified and described. The competitor's commercial offers are to be analyzed.

Step 3. The competitor's target audience is to be analyzed. Information about his clients and their preferences is to be gathered.

Step 4. The competitor's offers are to be analyzed in terms of their value to competitor's consumers and your own customers.

Step 5. Traditional offers are to be compared with those of the competitor and those you make. This is done in order to identify unique competitive advantages.

Step 6. The competitor's business model is to be analyzed in order to detect the components responsible for the uniqueness of the offer (technology, equipment, business organization, logistics, price offers being among them).

Step 7. The identified components of the competitors' business model are to be compared with the models of traditional companies and that of your own business.

Step 8. A decision on the level of threats issued by the competitor and an assessment of the superiority of the new offer and its attractiveness to customers are to be made; your own proposal, which is similar or even superior to the competitor's one must be prepared.

Thus, in response to the possible actions, which can bring about destabilization of the market, the trade enterprise has to take a series of actions.

1. The trade enterprise is to analyze the impact of a destabilizing threat on the market. It must realize what audience will be interested in the new offer and what task forces should be set up in order to monitor the situation and collect data on the merits and demerits of the new proposal. It is also necessary for the trade enterprise to determine in what sequence and in what time frame the interception of customers who have taken the traditional offer will take place. Besides, the trade enterprise is to find an answer to the question of what new customers will be attracted by the new offer.

2. The trade enterprise is to assess the market share that a destabilizer can capture. This requires segmentation of the target audience according to the perception of the destabilizing offer and identification of the segments of the target audience to be fought for; it is also required to assess the impact on related industries and potential customers.

3. It is necessary to collect information and analyze how the destabilizing offer may affect other companies (competitors, suppliers, intermediaries that are a part of the business environment of the company).

4. The trade enterprise is to make a decision on how to react to destabilizer's actions and devise methods of controlling destabilizing factors; the decision on how to mitigate losses is to be made. The trade enterprise has the option of buying a destabilizer's company business or introducing a similar model or setting up a specialized company operating on a new model. A reduction of losses can be caused by such things as changes in the price policy, the expansion or change of an assortment, the quality improvement, the withdrawal from the market, etc.

4. Conclusions

1. Digital transformation affects all the components of the strategy which is developed and implemented by the company. It plays a major role in the innovative development aimed at

accelerating the growth rate, improving the customer service, and reducing costs. Developments in the field of artificial intelligence, the Internet of things and big data radically change the business environment, making the management look for new approaches to solving strategic tasks of the company.

2. Data becomes a key asset for generating added value. One of the main directions is the improvement of digital methods of collecting, processing and analyzing information provided by web Analytics, video Analytics, Wi-Fi Analytics, data management platform, advanced Analytics, artificial intelligence, etc. The data obtained make it possible to analyze the behavior of customers in the digital environment, which is done in order to improve the efficiency of interaction with users, identify the promising areas and points of growth of the company, as well as to study and form the target audience. The interaction with customers can be improved by individualizing products and services, personalizing offers, and providing original content.

3. Thanks to the development of digital technologies, the methods of interaction with consumers have changed dramatically. Loyalty is the result of good interaction with consumers in the digital environment. The characteristic features of the development of client networks (platforms) are: ensuring access to goods and services in any time and in any place convenient for customers; producing original content that uses new models of interaction and emphasizes product benefits; providing an individual approach and personalized offers; arranging communication in social networks so as to create product value; focusing on cooperation that involves the participation of consumers in the development of the company. In the digital economy, values do not stay the same, but constantly change as consumers' needs change. In order to for the consumers to appreciate the company and find it valuable, it is necessary to continuously generate new offers, expand the customer audience, and apply new technologies and models of market conquest.

4. Significant changes are taking place in competition: the goals of competition are changing, competition is becoming cross-sectoral. Platform models, which pose a serious threat to traditional ones, win the competition. Intensifying competition leads to the destabilization of the existing business models of the companies. One of the most important tasks of analyzing the competitive environment is to recognize the phenomena that destabilize competitive markets, as well as to develop strategies to counter emerging threats.

5. The companies that appeared before the digital transformation began should foresee the need for constant changes in their strategic decisions, and when it is necessary, replace outdated business models and strategic decisions with modern ones. When developing its strategy, the company should also consider new opportunities that digital transformation opens up and that allow it to expand its business as well as to find new customers and partners in different regions. New companies have a chance to capture emerging markets that appear as a result of new opportunities offered by digital technologies.

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